

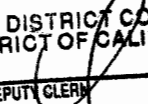
UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF CALIFORNIA

**FILED**

**M E M O R A N D U M**

APR 19 2010

Honorable Lawrence K. Karlton  
Senior United States District Judge  
Sacramento, California

CLERK, U.S. DISTRICT COURT  
EASTERN DISTRICT OF CALIFORNIA  
BY  DEPUTY CLERK

**RE: Kurt LAKOTA, Amy POLNOFF, James  
KALFSBEEK, Donna ROWE  
Docket Number: 2:05CR00128  
CONTINUATION OF RESTITUTION HEARING  
Status Date: 04/20/2010**

Your Honor:

The above-referenced defendants have been sentenced, but the issue of restitution was to be determined at a hearing set for April 20, 2010. However, due to the complex nature of this restitution matter, the investigation is continuing. Therefore, it is requested the hearing date be continued to April 27, 2010.

Kalfsbeek and Rowe were sentenced on February 23, 2010. Lakota was sentenced on November 3, 2009 and Polnoff was sentenced October 6, 2009. The statute allows for a restitution hearing to be held within 90 days of the sentencing hearing. April 27, 2010 is 70 days after the sentencing date for Kalfsbeek and Rowe. According to notes in ECF, Lakota and Polnoff agreed to defer their restitution hearings for no more than 70 days after Kalfsbeek and Rowe were sentenced. Therefore, the restitution issue needs to be resolved by April 27, 2010 absent a waiver of time by Lakota and Polnoff.

The amount of restitution which will be recommended is \$2,400,000. This corresponds to the loss amount used to compute the guidelines in the defendant's cases and reflects the average premium price paid by the 3,200 PSASL members of \$750. The only outstanding issue is identifying all 3,200 victims which the AUSA and case agent are investigating at this time. Restitution in the amount of \$750 will be recommended for each victim, except, at least two victims will receive larger sums as they had to personally pay

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claims PSASL refused to pay, and those victims were able to provide verification of their actual losses.

If I can be of further assistance, please contact me at 916-930-4317.

Respectfully submitted,



**LINDA L. ALGER**  
**Supervising United States Probation Officer**

Dated: April 15, 2010  
Sacramento, California  
LLA

cc: R. Steven Lapham  
Assistant United States Attorney

Dwight Samuel, John Balazs, Scott Tedmon, Joseph Wiseman  
Defense Counsel

AGREE: ☒

DISAGREE: ☐

  
**LAWRENCE K. KARLTON**  
Senior United States District Judge

4/16/10  
DATE